would call in Yo's overdraft on his account with the outcome of his bankruptcy, an outcome which scarcely needed express mention. The Lordships accordingly reject the attack on P3.

It was additionally contended for Chia, in relation to both P2 and P3, that all the circumstances of the case indicate a special relationship between the Bank and Chia which made it incumbent upon the Bank to establish affirmatively in the one case that there was no misrepresentation and in the other that there was no improper pressure. Their Lordships have already rejected the suggestion of such special relationship.

For these reasons their Lordships are of opinion that in each of these two actions the appeal fails and must be dismissed with costs.

Appeals dismissed.

Solicitors: *Charles Russell & Co.; Parker, Garrett & Co.*

SINGAPORE REPORTS

TOBACCO IMPORTERS AND MANUFACTURERS SDN. BHD. v. REGISTRAR OF TRADE MARKS, SINGAPORE

[C.A. (Wee Chong Jin C.J., Chua and Choor Singh JJ). April 1, 1976]
[Singapore — Civil Appeal No. 40 of 1975]

Trade Marks — Application for registration of trade mark — Carton cut-out — Application rejected by Registrar — Mark not distinctive as it is highly descriptive of character and quality of the goods — Application to register in Part B also refused — Trade Marks Act (Cap. 206), s. 10.

The appellants had applied for registration of a trade mark in respect of cigarettes. The mark consisted of a carton cut-out from a white cigarette packet at the centre of which are the words "Virginia Gold" in bold capitals within a red rectangle at the bottom of which is a device of two tobacco leaves in gold. The Registrar of Trade Marks refused the application for registration. He also refused the application in respect of Part B of the register on the ground that the mark was not capable of distinguishing the goods of the appellants. An appeal to the High Court was dismissed (*ante*, p. 8). The appellants thereupon appealed to the Court of Appeal.

Held, dismissing the appeal: (1) on the evidence it had not been shown that the Registrar of Trade Marks and the High Court were wrong in coming to the conclusion that the appellants' mark looked at as a whole was not distinctive and therefore the application for registration in Part A of the register was correctly refused;

(2) notwithstanding proof of distinctiveness in fact arising from the evidence of 7 years' user, it was open to the Registrar of Trade Marks and the High Court to consider whether the mark was capable of distinguishing the appellants' goods so as to qualify for Part B registration;

(3) in this case both the Registrar of Trade Marks and the High Court had decided that the appellants' mark was not capable of distinguishing the appellant's goods in spite of the accepted fact of 7 years' user and there was no evidence to show that they were wrong.

Cases referred to:-

(1) *British American Tobacco Co. Ltd.* v. *Tobacco Importers and Manufacturers Ltd.* [1963] M.L.J. 196.
(2) *Re Joseph Crosfield & Sons Ltd.* [1910] 1 Ch. 130, 145.
(3) *In re Liverpool Electric Cable Company Ltd.* 46 R.P.C. 100, 118.

COURT OF APPEAL.

T. H. A. Potts and *S. Murugasu (Miss)* for the appellants.

Sally Ang (Dy. Registrar) for the respondent.

Wee Chong Jin C.J. (delivering the judgment of the Court): In June 1969 Tobacco Importers and Manufacturers Sendirian Berhad (hereinafter referred to as "the appellants") applied for registration of a trade mark in Class 34 in respect of cigarettes. The mark consists of a carton cut-out from a white cigarette packet at the centre of which are the words "VIRGINIA GOLD" in bold capitals in white within a red rectangle at the bottom of which is a device of two tobacco leaves in gold.

The Registrar of Trade Marks (hereinafter referred to as "the Registrar") raised objections to its registration on the following grounds: —

(a) *Under section 10 of the Trade Marks Act (hereinafter referred to as "the Act")*
  (i) The words "Virginia Gold" are not invented words.
  (ii) The words "Virginia Gold" are descriptive of the goods.

(iii) The name "Virginia" is a geographical name.
(iv) The word "Gold" is a surname.
(v) The Mark as a whole is not distinctive.

(b) *Under section 23*

The Mark applied for conflicts with the following registered trade marks: —

(i) Trade Mark No. 38160 — a composite mark (i.e. device plus words) with the words "Rothmans Virginia Gold".
(ii) Trade Mark No. 29816 — a composite mark with the words "GOLD LEAF".

Subsequently the Registrar withdrew his objections on the ground of conflict with Trade Mark No. 29816 in view of the High Court decision in the case of *British American Tobacco Co. Ltd.* v. *Tobacco Importers and Manufacturers Lad.*[1] After considering representations and evidence submitted on behalf of the appellants the Registrar, in September 1972, refused the application for registration. In respect of Part B of the register, the Registrar also refused the application on the ground that the mark is not capable of distinguishing the goods of the appellants.

The appellants appealed to the High Court contending that the Registrar had paid too much attention to the separate features of the mark and had not sufficiently directed his mind to a proper consideration of the mark as a whole. The appellants contended that the mark considered as a whole would come under section 10(1)(e) of the Act in that it is a distinctive mark.

Before the High Court the parties agreed that the mark to be considered for registration is the central rectangular panel of the carton cut-out. The main features on this mark are: —

(1) The panel itself is almost half white and half red where the red area divides the panel by a centre red rectangular band.
(2) On the red area appear the words "VIRGINIA GOLD" in bold white letters.
(3) A pictorial device of two gold coloured tobacco leaves is embossed with the top half of the leaves falling on the red area.

The High Court dismissed the appeal. The court found that the mark when looked at as a whole is not a distinctive mark as it is highly descriptive of the character and quality of the goods of the appellants. The court also found the mark is not a distinctive mark as the combination of the non-distinctive features incorporates no new idea but merely serves as embellishments.

The main contention of the appellants before us is that the High Court ought, on the evidence, to have found that the mark, being a composite mark made up of the words "Virginia Gold" and a device of two gold tobacco leaves arranged in red and white panels, is a distinctive mark within the meaning of section 10(1)(e) of the Act. It is contended that the combination of these three features when looked at as a whole is sufficient to make the mark distinctive of the appellant's goods even though each feature looked at separately would be insufficient to constitute distinctiveness. Reliance is placed on the judgment of Fletcher Moulton L.J. in *In Re Joseph Crosfield & Sons Ltd.*[2] at 145 in which the following passage appears: —

> "Much of the argument before us... was based on an assumption that there is a natural and innate antagonism between distinctive and descriptive as applied to words, and that if you can show that a word is descriptive you have proved that it cannot be distinctive. To my mind this is fallacy. Descriptive names may be distinctive and vice versa.... There is therefore no natural or necessary incompatibility between distinctiveness and descriptiveness in the case of words used as trade marks."

In our opinion that case is clearly distinguishable in that Fletcher Moulton L.J. was dealing with "words used as trade marks" whereas in the present case the mark is a red and white label which consists of two words combined with a device and printed on paper to contain the goods. We have not been persuaded that on the evidence before the Registrar and the High Court that they were wrong in coming to the conclusion that the appellants mark looked at as a whole is not a distinctive mark and in our judgment the application for registration in Part A of the register was correctly refused.

The next contention of the appellants is that the High Court was wrong in refusing to direct the Registrar to proceed with the application for registration in Part B of the register, having accepted the evidence of 7 years user and that the mark in fact is capable of distinguishing the appellants' goods to a substantial extent. The learned judge expressed his conclusion as follows: —

> "The evidence here of user of the mark for a period of over 7 years from a director of the appellants and from two tobacco and cigarette distributors on affidavits went to show that the mark in fact is capable of distinguishing the appellants' goods and in fact distinguishes the goods to a substantial extent. I do not consider that evidence adduced is by any means so strong as to find that the mark by 7 years user has in fact become 100% distinctive of the appellants' goods.
>
> I find that earlier objection that the mark is highly descriptive of the goods applies here too and the mark is therefore inherently incapable of distinguishing the appellants' goods."

In our opinion this contention is also without substance. It is settled law that notwithstanding proof of distinctiveness in fact, it is open to the Registrar and, on appeal, to the High Court to consider whether this mark is "capable of distinguishing" the appellants' goods so as to qualify for Part B registration (see *In re Liverpool Electric Cable Company Ltd.*[3] 46 R.P.C. 100). Lord Hanworth M.R. in that case at page 118 when dealing with the geographical word "Liverpool" said: —

> "... and when you come to regard the rights of the public at large, the traders at Liverpool and the like, it appears to me that the Registrar would be quite right in holding that a word of that importance and significance ought not to be used or allowed to be treated as a word capable of distinguishing, because it has not merely to be capable in fact, *but it must be capable in law.*" (the emphasis is ours).

Both the Registrar and the learned judge decided that the appellants' mark is not capable of distinguishing the appellants' goods in spite of the accepted fact of seven years user. Their decisions have great force and weight and should *prima facie* be treated as right and correct unless we are satisfied that they were wrong. Having regard to the evidence and to the mark itself we have not been persuaded that they were wrong.

Accordingly, the appeal is dismissed with costs.

Appeal dismissed.

Solicitors: *Rodyk & Davidson.*